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USDA DESIGNATES SIX BIOBASED ITEMS FOR FEDERAL PROCUREMENT

WASHINGTON, March 9, 2006- Agriculture Secretary Mike Johanns today announced the issuance of a final rule designating the first six items that must received special consideration when making purchases by all federal agencies under the Federal Biobased Products Preferred Procurement Program, created by the 2002 Farm Bill.

"The designation of these six biobased items presents new economic opportunities for U.S. farmers and ranchers," said Johanns. "This is an historic step toward increasing the use of biobased products by the federal government, which will lead to greater acceptance of biobased products, lower prices and more variety of biobased products in the market. I encourage all federal agencies to quickly adopt preferences for biobased products in their purchases."

The Federal Biobased Products Preferred Procurement Program is authorized under Section 9002 of the Farm Security and Rural Investment Act of 2002. USDA earlier published a proposed rule designating these six items and conducted a 60-day public comment period. Federal agencies must give preference to biobased products in government purchases within one year.

The final rule to be published in the March 10, 2006 Federal Register designates six items, which are generic groupings of biobased products. The items are: mobile equipment hydraulic fluids; biobased roof coatings; water tank coatings; diesel fuel additives; penetrating lubricants and; bedding, bed linens and towels. Two of these items, water tank coatings and bedding, bed linens, and towels, have fewer than two suppliers of the biobased products that fall within these items. Consequently, Federal agencies will not have to give these items preference in procurement until there are two or more suppliers. USDA will issue a Federal Register notice when at least two suppliers are making these items available.

The final rule announced today is the first of a series of rules that will be issued designating biobased items. USDA currently has identified about 150 items for which it is collecting test data needed for the additional designations of items that will extend preferred procurement status to include all qualifying biobased products.

To enable federal agencies to have easy access to biobased product information, manufacturers of qualifying biobased products that fall within the designated items are invited to post product and contact information on the web site for the Federal Biobased Products Preferred Procurement Program at http://www.biobased.oce.usda.gov.

USDA has previously issued final guidelines for the biobased procurement program and developed a model procurement program of training and education to help Federal procurement officials and users of biobased products identify and purchase qualifying biobased products. Information on the guidelines and the model program are available at http://www.usda.gov/biobased.

Additional information on the final rule and the program may be obtained by contacting: Marvin Duncan, USDA, Office of the Chief Economist, Office of Energy Policy and New Uses, Room 4059, South Building, 1400 Independence Avenue SW., MS-3815, Washington, DC 20250-3815 or by email to: mailto:mmduncan@oce.usda.gov.

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